

**GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:1516
ANSWERED ON:26.07.2016
Subsidies to Farmers
Samal Dr. Kulamani

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether the Government is providing subsidies to farmers for improving the infrastructure, marketing facilities and promotional services in the agriculture sector;
- (b) if so, the details of schemes under which such subsidies/assistance is being provided; and
- (c) whether the Government proposes to withdraw the provision of subsidy to the agriculture sector and if so, the details thereof along with the components of this sector on which the provision of subsidy is likely to be withdrawn?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

???? ??? ????? ??????? ????????? ??? ????? ??????? (SHRI PARSHOTTAM RUPALA)

(a): Yes, Madam.

(b) & (c): The Government is providing subsidies to farmers under various schemes for improving the infrastructure, marketing facilities and promotional services.

Under Agricultural Marketing Infrastructure (AMI) sub-scheme of Integrated Scheme for Agricultural Marketing (ISAM), subsidy is being provided @ 25% to 33.33% to eligible beneficiaries for creation of storage infrastructure. Currently the scheme is temporarily stopped w.e.f. 05.08.2014 for general category promoters due to exhaustion of funds. However, the scheme is open for SC/ST promoters and for promoters in North-Eastern Region.

Under Rashtriya Krishi Viskas Yojana (RKVY) scheme, funds are released to the State Governments as 100% grant on the basis of projects approved in the State Level Sanctioning Committee (SLSC) meeting headed by the Chief Secretary of the State. No subsidy is provided by the Government of India directly to the individuals/farmers under the scheme. Subsidy under RKVY scheme is provided to farmers by the States as per norms of other existing Government of India schemes.

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Under National Horticulture Mission (NHM) scheme for development of Horticulture, assistance is being provided for development of Post-Harvest Management (PHM) and Marketing infrastructure. The component of market Infrastructure includes rural primary markets, wholesale markets and terminal market complexes.

For rural primary markets, credit linked back ended subsidy @ 40% in general areas and @ 55% in hilly and tribal areas of the maximum project cost of Rs. 25.00 lakh is available.

For wholesale markets, credit linked back ended subsidy @ 25% in general areas and @ 33.33% in hilly and tribal areas of the maximum project cost of 100.00 crore/project is available.

For terminal market complex, under PPP mode, assistance @ 25% to 40% (limited to Rs. 50.00 crore) of project cost of 150.00 crore/project, which includes 25% as floor subsidy plus 15% as subsidy on bidding is available.

Under PHM component, credit linked back ended subsidy @ 35% - 50% is available for creation of various types of post-harvest infrastructure.

Under National Food Security Mission (NFSM), financial assistance is being provided to the farmers for farm machineries for improving the infrastructure.

Under Bringing Green Revolution to Eastern India scheme (BGREI), assistance is being provided for activities that help in enhanced

procurement, creation of storage facilities, marketing and value addition. Assistance is being provided 50% of the project cost for individual beneficiary and 100% for community assets.

At present, there is no proposal under consideration to withdraw the provision of subsidy in respect of above mentioned schemes.
